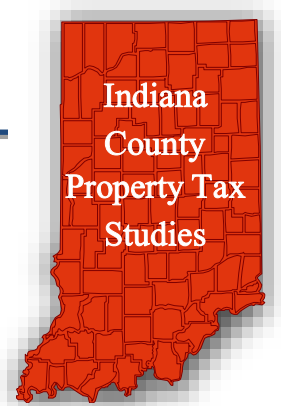


2013 Wells County Property Tax Report with Comparison to 2012

Legislative Services Agency

September 2013



This report describes property tax changes in Wells County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Wells County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	2.3%	\$19,776,547	\$1,272,587,917	0.2%
Change		5.8%	3.0%	
2012	1.1%	\$18,689,043	\$1,235,439,706	0.3%

Comparable Homestead Property Tax Changes in Wells County

The total tax bill for all taxpayers in Wells County increased by 2.3% in 2013. The reasons were a 5.8% increase in the total property tax levy, which was partly offset by an increase in local income tax-funded property tax credit rates. In this reassessment year, certified net assessed value rose by 3.0%. Wells County tax rates are too low for many taxpayers to qualify for tax cap credits. Tax cap credits as a percent of the levy were nearly unchanged.

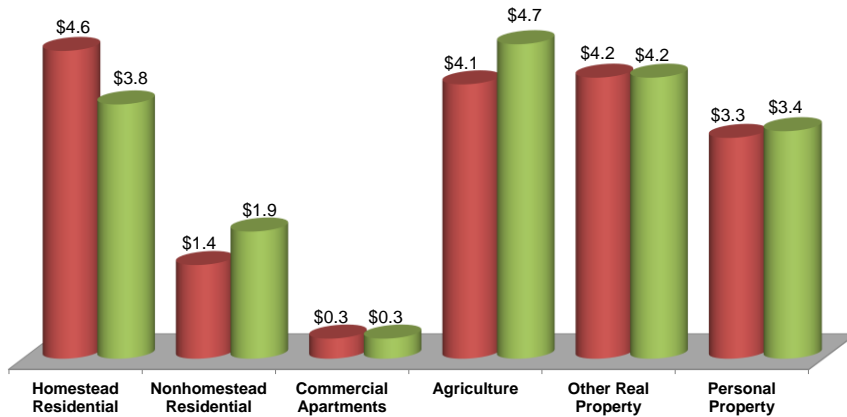
Wells County homeowners experienced a large 14.2% decrease in property tax bills in 2013. This was due to a large increase in local property tax credits which more than offset an increase in property tax rates. Homesteads also experienced a decline in homestead net assessed value. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	1,314	16.9%
No Change	94	1.2%
Lower Tax Bill	6,349	81.8%
Average Change in Tax Bill	-14.2%	
Detailed Change in Tax Bill		
20% or More	314	4.0%
10% to 19%	225	2.9%
1% to 9%	775	10.0%
-1% to 1%	94	1.2%
-1% to -9%	1,699	21.9%
-10% to -19%	2,205	28.4%
-20% or More	2,445	31.5%
Total	7,757	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$17.9 ■ 2013 - Total \$18.3



In Wells County most net property taxes were paid by business (other real and personal) and agriculture property owners in 2013. Total net property taxes increased 2.3%, similar to the average 2.1% increase statewide. Nonhomestead residential property saw the largest increase, while homestead net taxes decreased by the largest percentage.

Property tax rates increased in 17 of 22 Wells County tax districts in 2013. The average tax rate rose by 2.7% because a levy increase more than offset an increase in net assessed value. Statewide, the average tax rate increased by 4.2%.

Wells County increased by 5.8%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Wells County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$996,552,329	\$934,095,504	-6.3%	\$410,027,344	\$379,349,030	-7.5%
Other Residential	107,934,530	149,114,440	38.2%	107,269,478	147,137,359	37.2%
Ag Business/Land	351,209,718	381,437,954	8.6%	349,769,277	380,022,157	8.6%
Business Real/Personal	596,262,151	568,391,720	-4.7%	421,774,054	433,951,493	2.9%
Total	\$2,051,958,728	\$2,033,039,618	-0.9%	\$1,288,840,153	\$1,340,460,039	4.0%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Wells County's total billed net assessed value increased by 4.0% in 2013. Increases in other residential and agricultural assessments more than offset decreases in homestead assessments. The number of properties classified as homesteads fell in 2013 while the number of properties classified as nonhomestead residential increased by a similar amount. This would account for the reduction in homestead AV and the increase in other residential AV. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$0	\$0	\$0	0.0%
2%	30,836	26,674	-4,162	-13.5%
3%	0	0	0	0.0%
Elderly	35,362	19,474	-15,888	-44.9%
Total	\$66,198	\$46,148	-\$20,050	-30.3%
% of Levy	0.3%	0.2%		

Total tax cap credits in Wells County were \$46,148, which was only 0.2% of the levy. This was one of the smallest percentages in Indiana, much less than the state average of 10.9%, and less than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits. Wells

County's average tax rate was much less than the median rate statewide, and its large local property tax credits, funded by local income taxes, further reduced tax bills and tax cap credits. More than half of Wells County's tax cap credits were in the 2% nonhomestead residential/farmland category. Most of the rest were in the elderly category, which limits homestead property tax increases to 2% per year for some homeowners 65 years of age or older. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Wells County decreased \$20,050 between 2012 and 2013. Credits as a share of the total levy fell to 0.2% in 2013 from 0.3% in 2012.

Wells County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
County Total	17,795,686	18,225,963	18,659,688	18,689,043	19,776,547	2.4%	2.4%	0.2%	5.8%
Wells County	3,621,671	3,484,462	3,540,078	3,627,251	3,493,253	-3.8%	1.6%	2.5%	-3.7%
Chester Township	26,303	26,475	26,363	27,043	26,450	0.7%	-0.4%	2.6%	-2.2%
Harrison Township	107,580	105,681	104,993	106,170	50,204	-1.8%	-0.7%	1.1%	-52.7%
Jackson Township	14,401	13,988	13,934	14,102	13,643	-2.9%	-0.4%	1.2%	-3.3%
Jefferson Township	64,571	63,818	63,101	62,833	62,057	-1.2%	-1.1%	-0.4%	-1.2%
Lancaster Township	61,302	59,661	59,533	60,058	58,208	-2.7%	-0.2%	0.9%	-3.1%
Liberty Township	35,322	34,600	34,499	35,133	33,965	-2.0%	-0.3%	1.8%	-3.3%
Nottingham Township	56,466	41,531	40,995	42,641	54,863	-26.4%	-1.3%	4.0%	28.7%
Rockcreek Township	32,499	44,051	43,281	42,818	31,113	35.5%	-1.7%	-1.1%	-27.3%
Union Township	26,963	26,584	38,504	37,584	36,883	-1.4%	44.8%	-2.4%	-1.9%
Bluffton Civil City	2,348,216	2,294,924	2,282,653	2,316,926	2,241,639	-2.3%	-0.5%	1.5%	-3.2%
Zanesville Civil Town	25,212	24,294	22,434	20,368	21,537	-3.6%	-7.7%	-9.2%	5.7%
Markle Civil Town	167,484	172,619	168,731	183,422	197,419	3.1%	-2.3%	8.7%	7.6%
Ossian Civil Town	410,963	456,068	429,273	389,427	421,037	11.0%	-5.9%	-9.3%	8.1%
Poneto Civil Town	26,200	3,196	26,348	26,309	25,472	-87.8%	724.4%	-0.1%	-3.2%
Uniondale Civil Town	18,704	18,566	17,428	17,544	18,045	-0.7%	-6.1%	0.7%	2.9%
Vera Cruz Civil Town	2,166	2,249	2,345	2,128	2,291	3.8%	4.3%	-9.3%	7.7%
Southern Wells Community School Corp	1,539,979	1,760,660	1,751,966	1,560,375	1,850,618	14.3%	-0.5%	-10.9%	18.6%
Northern Wells Community School Corp	4,440,835	4,710,721	5,194,557	5,024,001	6,238,287	6.1%	10.3%	-3.3%	24.2%
M.S.D. Bluffton-Harrison School Corp	3,466,506	3,616,697	3,534,380	3,795,519	3,662,393	4.3%	-2.3%	7.4%	-3.5%
Wells County Public Library	1,159,585	1,117,751	1,114,488	1,143,693	1,090,886	-3.6%	-0.3%	2.6%	-4.6%
Huntington Library	38,775	44,025	43,685	47,450	39,387	13.5%	-0.8%	8.6%	-17.0%
Wells County Solid Waste District	103,983	103,342	106,119	106,248	106,897	-0.6%	2.7%	0.1%	0.6%

Wells County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
90001	Chester Township	1.0566	--	--	27.0059%	--	--	15.7756%	0.6046
90002	Poneto Town-Chester Township	1.9068	--	--	27.0059%	--	--	15.7756%	1.0910
90003	Harrison Township	1.4500	--	--	27.0059%	--	--	15.7756%	0.8297
90004	Bluffton City-Harrison Township	2.0119	--	--	27.0059%	--	--	15.7756%	1.1512
90005	Poneto Town-Harrison Township	2.2919	--	--	27.0059%	--	--	15.7756%	1.3114
90006	Verra Cruz Town	1.5771	--	--	27.0059%	--	--	15.7756%	0.9024
90007	Jackson Township	1.0485	--	--	27.0059%	--	--	15.7756%	0.5999
90008	Jefferson Township	1.4015	--	--	27.0059%	--	--	15.7756%	0.8019
90009	Ossian Town	1.7697	--	--	27.0059%	--	--	15.7756%	1.0126
90010	Lancaster Township	1.3768	--	--	27.0059%	--	--	15.7756%	0.7878
90011	Bluffton City-Lancaster Twp-N Wells School	1.9604	--	--	27.0059%	--	--	15.7756%	1.1217
90012	Bluffton City-Lancaster Twp-Bluffton School	2.0245	--	--	27.0059%	--	--	15.7756%	1.1584
90013	Liberty Township	1.0760	--	--	27.0059%	--	--	15.7756%	0.6157
90014	Poneto Town-Liberty Twp	1.9178	--	--	27.0059%	--	--	15.7756%	1.0973
90015	Nottingham Township	1.0983	--	--	27.0059%	--	--	15.7756%	0.6284
90016	Rockcreek Township	1.3862	--	--	27.0059%	--	--	15.7756%	0.7932
90017	Markle Town-Rockcreek Township	2.6541	--	--	27.0059%	--	--	15.7756%	1.5186
90018	Uniondale Town-Rockcreek Twp	1.8029	--	--	27.0059%	--	--	15.7756%	1.0316
90019	Union Township	1.3936	--	--	27.0059%	--	--	15.7756%	0.7974
90020	Markle Town-Union Township	2.6440	--	--	27.0059%	--	--	15.7756%	1.5129
90021	Uniondale Town-Union Township	1.7928	--	--	27.0059%	--	--	15.7756%	1.0258
90022	Zanesville Town-Union Township	1.6729	--	--	27.0059%	--	--	15.7756%	0.9572

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Wells County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	0	26,652	0	19,474	46,126	19,776,547	0.2%
<i>TIF Total</i>	0	22	0	0	22	282,823	0.0%
<i>County Total</i>	0	26,674	0	19,474	46,148	20,059,370	0.2%
Wells County	0	2,956	0	2,955	5,911	3,493,253	0.2%
Chester Township	0	0	0	9	9	26,450	0.0%
Harrison Township	0	0	0	35	35	50,204	0.1%
Jackson Township	0	0	0	4	4	13,643	0.0%
Jefferson Township	0	0	0	24	24	62,057	0.0%
Lancaster Township	0	0	0	39	39	58,208	0.1%
Liberty Township	0	0	0	21	21	33,965	0.1%
Nottingham Township	0	0	0	20	20	54,863	0.0%
Rockcreek Township	0	219	0	18	236	31,113	0.8%
Union Township	0	7	0	12	19	36,883	0.1%
Bluffton Civil City	0	20	0	3,952	3,972	2,241,639	0.2%
Zanesville Civil Town	0	0	0	21	21	21,537	0.1%
Markle Civil Town	0	12,285	0	495	12,780	197,419	6.5%
Ossian Civil Town	0	0	0	174	174	421,037	0.0%
Poneto Civil Town	0	0	0	1	1	25,472	0.0%
Uniondale Civil Town	0	0	0	73	73	18,045	0.4%
Vera Cruz Civil Town	0	0	0	0	0	2,291	0.0%
Southern Wells Community School Corp	0	0	0	743	743	1,850,618	0.0%
Northern Wells Community School Corp	0	8,587	0	3,617	12,204	6,238,287	0.2%
M.S.D. Bluffton-Harrison School Corp	0	34	0	6,174	6,208	3,662,393	0.2%
Wells County Public Library	0	3	0	898	901	1,090,886	0.1%
Huntington Library	0	2,451	0	99	2,550	39,387	6.5%
Wells County Solid Waste District	0	90	0	90	181	106,897	0.2%
TIF - Adams Street #1	0	21	0	0	21	250,801	0.0%
TIF - Adams Street #2 BH	0	1	0	0	1	269	0.5%
TIF - Adams Street #2 BI-L/NW	0	0	0	0	0	31,753	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.